

# EXPORT NEWS

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## Austin U.S. Export Assistance Center Serving Central Texas

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**HAPPY HOLIDAYS!**

**Note:** The U.S. Government does not endorse products or companies and assumes no responsibility for the accuracy of the data contained herein, or for the success or failure of any business transactions resulting from opportunities listed in this publication.

## NEWS FLASH!

### Germany-Trade Show-CeBIT

CeBIT is the largest and most influential international information and communication technology trade show. Nowhere else in the world, in just one week, can your company reach over 700,000 industry professionals, including 139,000 distributors, representing 100 countries. The U.S. Department of Commerce offers several low-cost ways to ensure that U.S. firms have a presence at CeBIT 2003. 1) Co Exhibitor Option – allows firms to share booth space and save on expenses, as well as use the USA Pavilion conference rooms and exhibitor lounge for business meetings during the trade show. Translator available. Cost: \$2,300. 2) On-Site Catalog Option: Your company is given booth space on the exhibit floor for 4 hours each day to market your products or service. During the show as you prospect and have meetings we coordinate with your representative by mobile phone and arrange appointments with foreign buyers on the spot. 2 days: \$1,625; 1 day: \$875. For more information on any of these options, contact Larry Tabash, U.S. Department of Commerce/Austin at 512-936-0039 or [larry.tabash@mail.doc.gov](mailto:larry.tabash@mail.doc.gov).



## TRADE INFORMATION

### Upcoming BIS Export Licensing class in Austin, Tx – February 26-27, 2003

An intensive, two-day program that covers the key information you need to know to comply with the Export Administration Regulations (EAR). Counseling with professionals from the Bureau of Industry and Security the first day will cover the major elements of the U.S. export control system for commercial exports. This program is for all levels of expertise on export control issues. Second day will concentrate in technology controls. Certificates from the Bureau of Industry and Security will be awarded for completion of this seminar. Full details will be sent out in January, or contact our office for more details.

### Carnets Now Available On-Line

The Carnet allows for temporary duty free customs clearance of commercial samples, professional equipment, and items for exhibitions and fairs into more than 75 countries around the world. Carnets eliminate the payment of VAT and duties, can be used for unlimited trips for a period of up to one year, and act as an U.S. Customs registration. Carnets are now available online. Online Carnets applications make it possible for a 24-hour turnaround without an expedited service fee. Simply log onto <http://www.uscib.org>, click in the apply Online section of ATA Carnet Export Service and begin. For additional information, contact U.S. Council for International Business at 212-703-5087 or Houston at 1-800-762-6653 or send an e-mail to [mrea@uscib](mailto:mrea@uscib).

### Service Industry

One of the fastest growing U.S. exports is the services industry. According to the U.S. Commerce Department, services account for 25% of total U.S. exports. These services come from a wide range of industries, such as banking and insurance, travel, entertainment, legal and other business services, information, telecommunications, healthcare, education, transportation, energy and environmental services, architecture, construction, consulting, and engineering. Service exports from the U.S. are expected to surpass \$350 billion by the year 2005. Major markets for U. S. services in 2001 include the EU, Japan, and Canada. U.S. service sector exports to Mexico totaled \$14 billion in 2000. The U.S. Department of Commerce is working with the Export-Import Bank of the U.S. and the U.S. Small Business Administration to increase availability of financing for service exports, especially to the small and medium-size firms. For more information on the service industry and links to related web-sites, log on to the USDOC/International Trade Administration Office of Service Industries and Finance website at [www.ita.doc.gov/td/sif](http://www.ita.doc.gov/td/sif) or contact the Office of Service Industries in Washington, D.C. at

## Homeland Security

Passage of the Homeland Security Act means the relocation of two offices from the U.S. Department of Commerce. The Office of Critical Infrastructure Assurance from the Bureau of Industry and Security and the Hazard Information Systems from the National Oceanic and Atmospheric Administration will now be housed in the new Department of Homeland Security

## U.S. Customs – Project Shield America

Project Shield America is an integral part of the U.S. Customs strategy of preventing illegal exporters, targeted foreign countries, terrorist groups, and international criminal organizations from trafficking in Weapons of Mass Destruction (WMD) and their components; obtaining and illegally exporting licensable commodities, technologies, conventional munitions, and firearms; exporting stolen property; and engaging in financial and other transactions which support these activities or which violate U.S. sanctions and embargoes. The inspection and interdiction effort utilizes specially trained Customs Inspectors stationed at high threat ports, to selectively inspect suspect export shipments. The investigations effort involves Customs Special Agents deployed throughout the country, who initiate and pursue high quality cases which result in the arrest, prosecution, and conviction of offenders of the Export Administration Act, Arms Export Control Act, Trading with the Enemy Act, International Emergency Economics Powers Act, and other related statutes. Office of Investigations efforts are concentrated in the proactive mode, utilizing various techniques to detect and disrupt illegal exports before they can cause damage to the national security interests of the United States. U.S. Customs recommends that our Industry Partners implement an Export Management System (EMS). An effective EMS consists of the following elements: A policy statement demonstrating senior management's commitment to export control; Identification of positions within the company responsible for export control; An up-to-date training program for employees with export responsibilities; A program for maintaining records in compliance with export regulations; Periodic internal review of the EMS; A procedure for dealing with violations or non-compliance of export regulations; and a strict policy of reporting suspicious orders or inquiries to U.S. Customs.

## International Sales Contract Online

A new Internet application offered by Paction allows a buyer and a seller to prepare, negotiate, and complete contracts for the international sales and purchase of goods online. Contracts produced by the application are based on the International chamber of Commerce (ICC) model international sale contract, which provides a clear and concise set of conditions, balancing the interests of buyers and sellers. The application allows easy access to the ICC's standard terms of contract and offers help, advise, and further reading related to those contract terms. The contract text produced by the applications is concise, delivering only the clauses relevant to the transaction being contemplated. Log on to <http://www.modelcontracts.com> for a demonstration.

## 5 New Ways to Grow Your International Sales

Diversifying your customer base is a good business strategy. With domestic demand slowing, now is a great time to explore market s beyond the U.S. To help ensure your success, we have five global business tools. **Flexible Market Research:** customized answers to specific market questions in a foreign country. **International Company Profiles:** Detailed background reports that include an expert opinion about the viability and reliability of the company you are looking to do business with. **International Partner Search:** Searches for business partners such as agents and distributors, franchisees, joint ventures partners, and strategic alliance partners. **Gold Key Service:** Arranges meetings in a foreign country on a given day of travel with potential business partners with criteria identified by your company. **ShowTime:** Export counseling, market insight, and personal introductions to international buyers at major U.S. and international trade shows. These services increase our ability to provide you customized business solutions. Last year, we helped U.S. companies generate export sales worth more than \$21 billion. This year, we would like to add your new sales to this total. The U.S. Commercial Service we have been helping businesses like your succeed in the global market for over 20 years. Contact us at [austin.office.box@mail.doc.gov](mailto:austin.office.box@mail.doc.gov) or call our office for more details.

## COUNTRY INFORMATION

### U.S. and Chile Conclude Historic Free Trade Agreement

The U.S. and Chile reached agreement Dec. 11, 2002 on an historic and comprehensive Free Trade Agreement (FTA) designed to strip away barriers and facilitate trade and investment between both countries. U.S. Trade Representative Robert B. Zoellick and Chilean Foreign Minister Soledad Alvear said they expect to sign the Agreement and submit it to their Congress for approval next year.

### Mexico Apostilles

An "Apostille" is often required by Mexican authorities or financial institutes as the means of verifying the authenticity of international documents. An Apostille is a certificate issued by a state government, generally by the Secretary of State, to authenticate documents which have been signed by a government official of Notary Public of the same state. Examples of U.S. certificates that might require and Apostille for acceptance in Mexico are court-issued documents, death certificates, birth certificates, marriage licenses, and patent and trademark documents. Documents that are not issued directly by a state or county may require notarization before applying for an Apostille. Such documents might include business contract or agreements, powers of attorney, and minutes of meetings. Visit the Texas Secretary of State's website to learn more about Apostilles at <http://txsos-7.sos.state.us/authfaqs.shtml>.

## **U.S. and Singapore Agree on FTA**

According to a November 19 fact sheet released by the Office of the U.S. Trade Representative (USTR), the U.S. and Singapore have "reached agreement in substance" on a Free Trade Agreement (FTA). Once the FTA goes into effect, the U.S. will lower any tariffs on Singapore goods to zero. Under the agreement, Singapore commits to enacting a competition law and to ensuring that its government enterprises "will act as commercial entities, will not discriminate against U.S. goods and services, and will not engage in anti-competitive behavior." Singapore is the 11<sup>th</sup> largest trading partner of the U.S.

## **Fraud / Scams**

**Canada** – While commercial fraud is a tiny part of the \$1.4 billion daily U.S.-Canada trade in goods and services, nonetheless some U.S. exporters to Quebec companies have been victimized in recent months. By implementing a solid credit and collection policy as well as verifying the information submitted by potential business partners, U.S. companies can protect themselves from being victims of fraud and suffering huge monetary losses. In most cases of fraud, money and goods are never recovered. The Commercial Service in Montreal has become aware of a few incidences of fraud being perpetrated in the Montreal area. Most of the scams involve the computer parts industry.

**Kuwait** – There have been several recent instances of U.S. firms being scammed by individuals purporting to represent Kuwaiti government agencies or the Central Bank of Kuwait. Some of these deals include payment arrangement via offices in Madrid, Spain. Suspensions should be heightened if any such deals include a Madrid-based organization called the "Overseas Credit Commission" or an individual name Hassan Ah Almoweid, also seen as Hassan Almoweld or Hassan Al-Wallid. The Central Bank of Kuwait's website ([www.cbk.gov.kw](http://www.cbk.gov.kw)) includes a "Scams and Frauds" page with tips on how to check on individuals purporting to act for the Bank.

**UAE** - CS Abu Dhabi received many inquiries from USEAC's and US companies regarding the legitimacy of "Ministry of Economy and Industry – Abu Dhabi or Dubai" that is soliciting US companies for \$ multi-million transactions. After reviewing some of their correspondence, we noticed many irregularities in the addresses, names, and facts used by the claimants and advised USEAC's and US companies to immediately cease any business dealing with them. In subsequent cases, names and contact details have changed but no UAE contact details (phone, fax) have been mentioned on any of the faxes. In the last two cases, they gave contact details of a person in Spain claiming that he will coordinate transfer of funds after goods are shipped.

## **EVENTS**

### **Infrastructure USA 2003 – Multi State Catalog Exhibition**

African and the Near East hold long-term potential for U.S. exporters in many industries. The Texas Economic Development Office of International Business in conjunction with the U.S. Department of Commerce, will showcase Texas product literature and videos at "Infrastructure USA 2003," an official U.S. Catalog Exhibition in Durban and Port Elizabeth, South Africa; Nairobi, Kenya, Casablanca, Morocco; Dubai, UAE; Algeria; and Yerevan, Armenia, March 31, April 22, 2003.

### **Environmental Technologies Trade Mission at TAU Expo to Milan, Italy**

With over 500 exhibitors and 30,000 visitors in 2001, TAU EXPO, which is held ever two years, is Italy's premier environmental technologies show and one of the largest in Europe. The U.S. Department of Commerce is organizing the Environmental Trade Mission at TAU Expo for the fifth consecutive time. Your investment is \$2,500, excluding airfare and lodging. As a participant of the program, you will receive a remarkable package of market-entry services: a fully constructed booth at TAU, a personalized schedule of one-on-one appointments with potential Italian distributors, OEMs, joint venture partners, and large end-users during this event, an opportunity to meet exhibitors and qualified walk-by visitors, in-depth market briefings, pre-and post-event export counseling, in-country media coverage, and hospitality, interpreters, and logistical support.

### **Environmental Opportunities in Central Europe**

If your company is interested in Environmental Opportunities in the Central European area, the Northwest and Dallas International Trade Centers will host a roundtable briefing on a Central European Environmental Consortium of Texas February 4-5 in Dallas. You will be able to talk with Foreign Service Nationals from the Commercial Service, with officials from the municipalities participating, the technical representatives from EcoLinks/USAID et al to discuss opportunities in these various markets. Partners for these opportunities are with Eco-Links, a sub-organization of USAID, the Global Technology Network (GTN), ExIm Bank, European Development Bank and multinational banks. The bonus for Texas companies that provide engineering & design services or manufacture products and technologies in the environmental sector, is that: it will involve multiple projects over a long term period; it will be a gateway to providing goods and services into those markets; by subcontracting, all the export formalities will be taken care of by the lead general contractor and payment will be through that contractor--safer and in U.S. \$\$\$\$. All the information on this event can be found at: [www.iexportimport.com](http://www.iexportimport.com) Click on Seminars, click on View Info on the event Feb 4-5.

## **WEBSITES**

<http://ecommercetax.com/doc/112402.htm> - E-Commerce Taxation around the world.

[www.getcustoms.com/omnibus.html](http://www.getcustoms.com/omnibus.html) - Cultural issues of doing business in 60 countries.

[www.globalspeak.com](http://www.globalspeak.com) - Market information for Korean healthcare.

[www.mac.doc.gov/sabit](http://www.mac.doc.gov/sabit) - Grants to cover share of the costs of hosting managers/scientists from the former Soviet Union.